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*Testimony of
Orlando J. Rodriguez*

Connecticut Education Association

Before the
Education Committee

Re:

HB 6616 AN ACT CONCERNING THE PROCESS FOR FUNDING A NEW CHARTER SCHOOL

March 17, 2021

Good afternoon Senator McCrory, Representative Sanchez, Senator Berthel, Representative McCarty, and members of the Education Committee. My name is Orlando Rodriguez, and I serve as the Research and Policy Development Specialist of the Connecticut Education Association (CEA). CEA represents tens of thousands of active and retired educators from all areas of Connecticut.

Today, I am testifying in opposition to HB 6616.

CEA opposes this proposal to take the General Assembly out of the decision-making process for funding new charter schools. Over the last 10 years, funding for charter schools has more than doubled to over \$120 million.ⁱ In the process, it caused an unnecessary expansion of a parallel publicly funded system for K-12 education. Furthermore, unlike locally elected boards of education, charters are overseen by unelected and unaccountable boards of governors. Some charters needlessly pay a fee to a Charter Management Organization for vague "management consulting" services. For the tax year ending June 2017, Achievement First, Inc. received more than \$17 million in management consulting fees. (Achievement First, Inc. is the parent company of the Charter Management Organizations that are paid to operate Achievement First Bridgeport Academy, Achievement First Hartford Academy, Amistad Academy, and Elm City College Preparatory.)

This bill would shift democratic oversight of tax dollars spent on charter schools from the General Assembly to an *unelected* State Board of Education, which then distributes funding to a charter school's *unelected* board of governors. If enacted, HB 6616 would rollback charter accountability measures enacted in PA 15-239 to make the charter funding process more responsible by ensuring legislative oversight.

CEA believes that the students in existing charter schools deserve fair funding. To that end, we advocate funding increases that lift all boats — including traditional neighborhood and magnet schools. We reject the premise that "market mechanisms" should be used to redirect funds from one school to another as if students were widgets. As the committee considers addressing the needs of students in charter schools, we suggest that you focus instead on the practices of Charter Management Organizations that take millions of dollars of Connecticut's charter school funds from classrooms and send them to the boardrooms of Charter Management Organizations.

We urge rejection of this bill.

Additionally, we have included the recommendations below in response to an Education Committee member's request – from a previous hearing – for CEA suggestions on how to increase accountability and transparency among Charter Management Organizations. We have also included commonsense provisions to ensure all taxpayer dollars are spent wisely and appropriately on the needs of students attending charter schools. State law should:

1. Require charter schools to keep students through high school graduation.

Except for charter schools, all choice schools in Connecticut must keep their students through high school graduation. This is true in current law, as well as in proposed legislation in the governor's budget:

- [SB 886: An Act Implementing the Governor's Budget Recommendations Concerning Education](#)
"School districts which received students from Danbury and Norwalk under the pilot program during the school year commencing July 1, 2022, shall allow such students to attend school in the district until they graduate from high school."
- [Conn. Gen. Stat. § 10-76d, regarding special education](#)
"The obligation of the school district under this subsection shall terminate when such child is graduated from high school or reaches age twenty-one, whichever occurs first;"
- [Conn. Gen. Stat. § 10-264l, regarding magnet schools](#)
"All interdistrict magnet schools shall be operated in conformance with the same laws and regulations applicable to public schools." Meaning, interdistrict magnet schools must keep their students through high school graduation.
- [Conn. Gen. Stat. § 10-266aa, regarding Open Choice schools](#)
"Each receiving district shall allow out-of-district students it accepts to attend school in the district until they graduate from high school."

2. Require the Connecticut State Department of Education (CSDE) to report the number of students who left a choice school during the school year.

- [Conn. Gen. Stat. § 10-10a\(c\)\(1\)\(A\)](#) requires CSDE to report student mobility, but it does not. CSDE should implement the mandated reporting and, in addition, include an annual student turnover rate for each choice school. Furthermore, the Institute for Medicine and the National Research Council report that when a child moves often there is a decline in their educational achievement, which is sufficient justification for reporting data on student mobility."

"(A) In addition to performance on statewide mastery examinations pursuant to subsection (b) of this section, data relating to students shall include, but not be limited to, (i) the primary language spoken at the home of a student, (ii) student transcripts, (iii) student attendance and **student mobility**, (iv) reliable, valid assessments of a student's readiness to enter public school at the kindergarten level, and (v) data collected, if any, from the preschool experience survey, described in section 10-515;"

3. Require the Connecticut State Department of Education (CSDE) to report the cost of special education services and student transportation – borne by the local public school districts – for students in charter schools.

Charter schools claim their state funding of \$11,250 per pupil is insufficient; however, this is misleading. The \$11,250 per-pupil charters receive **does not include the cost of special education services** paid by the host town school district. Nor does it include transportation costs to the charter facility paid by a sending town's public school district. While charters may get less funding per pupil, they also have lower expenses than all local and regional school districts in Connecticut. A more accurate per-pupil expenditure for charters would include both state funding of \$11,250 and local district spending for students in the charter school.

"Local educators testified throughout the school funding trial that their **fastest growing costs are for staffing and special education services**, and that those costs crowd out resources for other supports in schools." (The

CT Mirror, [Troubled schools on trial: Special education driving costs and controversies](#), December 14, 2016.)

4. Require Charter Management Organizations to disclose how much they are paid in management fees by a charter school and enforce the reporting mandate.

Charter Management Organizations are not transparent about the amount of management fees they are paid. [Achievement First, Inc.](#) is the parent company of these Charter Management Organizations: Achievement First Bridgeport Academy, Achievement First Hartford Academy, Amistad Academy, and Elm City College Preparatory. The federal tax return for Achievement First, Inc. shows more than \$17 million (\$17,310,510) collected in "management consulting services" ([NAICS Business Code 54161](#)).ⁱⁱⁱ However, none of its charter schools reported to CSDE that they paid a management fee.^{iv}

Achievement First, Inc. IRS 990 Tax Return for Year Ending June 2017

Program Service Revenue	Business Code		
	Business Code		
2a management fee	541610	17,310,510	17,310,510
b ANCILLARY SCHOOL SERVICES SUPPORT	541610	2,765,500	2,765,500
c federal e-rate funding	541610	1,829,865	1,829,865
d charter start up	541610	1,032,217	1,032,217
e			
f All other program service revenue			
g Total Add lines 2a-2f		22,938,092	

5. Allow parents of students in a charter school to file a complaint directly with the Connecticut State Board of Education.

[Conn. Gen. Stat. § 10-4b \(2019\)](#) gives parents across the state the ability to file a complaint against a traditional public school; however, CSDE ruled, in a 2016 decision, that it does not apply to publicly-funded charter schools. Parents, students, and taxpayers should have recourse to the State Board of Education (SBE) to hold charter schools as accountable as traditional public schools — but in Connecticut they do not. Additionally, the SBE can delay charter school renewals for up to five years.

"The department made clear that the public can still complain and that the department can assess penalties that include putting a school on probation or revoking its charter to operate. It said, however, the department [CSDE] was not required to investigate or hold a hearing on a complaint." (The CT Mirror, [State: Complaints about charter schools to be handled differently](#), June 3, 2016.)

6. Require charter schools to have the same transparency that all other public schools must give to parents and taxpayers. Not less.

State-funded public charter schools do not operate under the same rules that apply to local boards of education. A charter's governing board,

- does *not* have to include parents,
- does *not* have to inform parents or taxpayers of meetings,
- does *not* have to fully comply with requests subject to the Freedom of Information Act,
- and does *not* have to disclose financial donors and the dollar amount of unspent donations.

Additionally, donors with special interests could fund a charter school. Doing so influences what is taught without the knowledge of parents or the public in general.

"Details about who donated the money and where the charter school building would be located were not given," (Danbury NewsTimes, [Philanthropist donates \\$25 million to build Danbury charter school](#), January 14, 2021.)

7. Require a new application for a state-funded charter school to include informing the local Board of Education of how much state funding will be lost once the charter opens and annually after that. Furthermore, require a state-funded charter school to be approved by the town in which it will operate.

Towns that send students to a state-funded public charter school will receive less funding from the state for K-12 education. To make matters worse, the town hosting the charter school will have to pay for special education services for all students attending the charter — including students from other towns. This cut in funding to towns will reduce funding for students in traditional public schools and result in local taxpayers paying more property taxes to offset the loss in funding because of the charter. In particular, the hosting town will have the greatest financial burden.

8. Require charters to have an English Learner (EL) enrollment that reflects the population of ELs from sending towns and stop granting ongoing waivers to charters for certified bilingual education teachers.

Some charters have a small enrollment of ELs – or no enrollment – while their sending towns have a significant population of ELs. By curbing their EL enrollment, charters evade the added cost of EL services in addition to not having to pay for special education services. Furthermore, charters that do enroll ELs have for years not met the state requirement for certified bilingual education teachers that traditional public schools must adhere to.

During the 2018-2019 school year, all charter schools in the Achievement First network were out of compliance with bilingual-education certification requirements.^v On February 6, 2020, the Connecticut State Board of Education put three charter schools (Amistad Academy, Elm City College Preparatory, and Achievement First Bridgeport Academy) on probation for failing to provide a transitional bilingual education program for EL students.^{vi,vii,viii} The schools were given to 2022 to correct the situation, or their license to operate could be revoked.

9. Strengthen enforcement of teacher certification and mentoring requirements.

Charter Management Organization-run charter schools flout state laws for teacher certification with impunity, disregarding standards and legal protections for students. There simply is no enforced accountability.

In addition to being out of compliance with bilingual teacher certification requirements, Achievement First Bridgeport Academy, Amistad Academy, and Elm City College Preparatory School faced renewal hurdles because they had excessive suspension rates, are not in compliance with teacher certification requirements, and are not implementing the state Teacher Education and Mentoring Program as part of their renewal. Despite the illusion that probation equates to accountability, these same schools have been placed on probation previously, without coming into compliance.^{ix} A prospective charter school seeking to operate in Danbury, Connecticut, exhibits this same pattern. A report by the NAACP indicated that "... charter schools turnover at higher rates than educators in district-run public schools, in part because charter schools tend to hire inexperienced educators ...". Data from the State of New York shows that nearly 1 in 3 (31%) teachers at one Brooklyn Prospect Charter School are inexperienced (i.e., 4 years or less teaching) compared to roughly 1 in 10 (9%) statewide, in New York, and 6 of 10 (60%) are teaching outside their area of certification.^{xi} Nearly half (47% turnover rate) of teachers leave within their first four years of teaching at the school.

These are a few examples of how state laws that apply to boards of education either do not apply to charter schools operated by Charter Management Organizations or are not enforced. Charter Management Organizations exploit the status quo to undermine taxpayers' faith in traditional public schools. Their goal is to have all public schools in Connecticut run by a Charter Management Organization business, which profits from unneeded management consulting services.

Endnotes

ⁱ Estimated for FY 2021 at https://portal.ct.gov/-/media/OPM/Budget/2022_2023_Biennial_Budget/Bud_WebPage/GovBud_2022-23_Final_Web_Update.pdf

ⁱⁱ Institute of Medicine 2010. *Student Mobility: Exploring the Impacts of Frequent Moves on Achievement: Summary of a Workshop*. Washington, DC: The National Academies Press. <https://doi.org/10.17226/12853>

ⁱⁱⁱ IRS 990 filing for year ending June 2017 at <https://projects.propublica.org/nonprofits/organizations/651203744/201810609349300401/full>

^{iv} ED001 for 2017 from CSDE

^v Wentzell, D. R. (2019, February 6). Update on Achievement First Bridgeport Academy, Amistad Academy, and Elm City College Preparatory School. Retrieved December 12, 2019, from https://portal.ct.gov/-/media/SDE/Board/BoardMaterials020619/Update_on_Achievement_First_Bridgeport_Amistad_Academies_and_Elm_City_College_Prep_School.pdf?la=en

^{vi} Cardona, D. A. (2020, February 6). 2020 Board and Committee Meetings. Renewal of State Charter – Amistad Academy, New Haven. Retrieved July 22, 2020, from Connecticut State Department of Education: https://portal.ct.gov/-/media/SDE/Board/BoardMaterials020620/Renewal_of_State_Charter_Amistad_Academy_New_Haven.pdf

^{vii} Cardona, D. A. (2020, February 6). Renewal of State Charter – Elm City College Preparatory, New Haven. Retrieved July 22, 2020, from https://portal.ct.gov/-/media/SDE/Board/BoardMaterials020620/Renewal_of_State_Charter_Elm_City_College_Preparatory_New_Haven.pdf

^{viii} Cardona, D. A. (2020, February 6). Renewal of State Charter – Achievement First Bridgeport Academy, Bridgeport. Retrieved July 22, 2020, from https://portal.ct.gov/-/media/SDE/Board/BoardMaterials020620/Renewal_of_State_Charter_Achievement_First_Bridgeport_Academy_Bridgeport.pdf

^{ix} https://www.newhavenindependent.org/index.php/archives/entry/achievement_first_charter_probation/

^x <https://www.courant.com/education/hc-achievement-first-probation-0505-20160504-story.html>

^{xi} At <https://data.nysed.gov/essa.php?instid=80000083987&year=2020&createreport=1&staffqual=4>